NSA STAFF PROCESSING FORM

DIRECTOR	EXREG CONTROL NUMBER		KCC CONTROL NUMBER IG-10209-03	
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Quarterly Report to the Intelligence Oversight Board			SIGNATURE	KCC SUSPENSE
on NSA Activities—Third Quarter FY03 (U //FOUO)			INFORMATION	ELEMENT SUSPENSE
DISTRIBUTION				

SUMMARY

PURPOSE: (U//FOUO) To forward to the Intelligence Oversight Board (IOB) of the President's Foreign Intelligence Advisory Board, via the Assistant to the Secretary of Defense for Intelligence Oversight (ATSD(IO)), NSA's quarterly report on its intelligence activities.

BACKGROUND: (U/FOUO) Executive Order 12333 and Executive Order 12863 require Intelligence Community agency heads and Intelligence Community General Counsels and Inspectors General, respectively, to report to the IOB on a quarterly basis concerning intelligence activities that they have reason to believe may be unlawful or contrary to Executive Order or Presidential Directive. The enclosed memorandum covers all reportable activities known to the Inspector General and General Counsel. Per PIOB letter of 6 August 1982, Agency heads are responsible for reporting separately any additional reportable activities known to them, unless the President has specifically instructed that the Board is not to be informed. The Director's signature signifies that no other activities that require reporting are known to him.

RECOMMENDATION: (U/FOUO) Director sign the enclosed memorandum.

Approved for Release by NSA on 12-19-2014, FOIA Case # 70809 (Litigation)

(b)(3)-P.L. 86-36

DECLASSIFY UPON REMOVAL OF THE ENCLOSURE(S)

	1	COORDINATION	APPROVAL			
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NSN: 7540-FM-001-5465

DATED: 24 February 1998 DECLASSIFY ON: X1



NATIONAL SECURITY AGENCY CENTRAL SECURITY SERVICE FORT GEORGE G. MEADE, MARYLAND 20755–6000

18 September 2003

MEMORANDUM FOR THE CHAIRMAN, INTELLIGENCE OVERSIGHT BOARD

THRU: Assistant to the Secretary of Defense (Intelligence Oversight)

SUBJECT: (U//FOUO) Report to the Intelligence Oversight Board on NSA Activities - INFORMATION MEMORANDUM

(U//FOUO) Except as previously reported to you or the President, or otherwise stated in the enclosure, we have no reason to believe that any intelligence activities of the National Security Agency during the quarter ending 30 June 2003, were unlawful or contrary to Executive Order or Presidential Directive, and thus required to be reported pursuant to Section 1.7.(d) of Executive Order 12333.

(U//FOUC) The Inspector General and the General Counsel continue to exercise oversight of Agency activities by means of inspections, surveys, training, review of directives and guidelines, and advice and counsel. These activities and other data requested by the Board or members of the staff of the Assistant to the Secretary of Defense (Intelligence Oversight) are described in the enclosure.

JOEL F. BRENNER Inspector General

120)

VITO T. POTENZA

Acting General Counsel

(U/ÆOUO) I concur in the report of the Inspector General and the General Counsel and hereby make it our combined report.

Lieutenant General, USAF Director, NSA/Chief, CSS

Encl:

This Memorandum is Unclassified Upon Removal of Enclosure

DERIVED FROM: NSA/CSSM 123-2 DATED: 24 FEB 98 DECLASSIFY ON: X1

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1. (U) INSPECTOR GENERAL ACTIVITIES

a. (C//SI) During this quarter, the Office of Inspector General (OIG) reviewed various intelligence activities of the National Security Agency/Central Security Service (NSA/CSS) to determine whether they were conducted in accordance with applicable statutes, Executive Orders, Attorney General procedures, and DoD and internal directives. With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities.

b. (U//FOUO) The NSA OIG completed an inspection of the National Security Operations Center (NSOC). The NSOC home page on NSA's intranet has a new intelligence oversight (I/O) link containing the policy requirements related to I/O training and compliance; hyperlinks to the basic I/O documents; a reminder of the requirement to review the documents once a year; an on-line test, and the capability to register individual compliance in an I/O compliance database. The test results are used to indicate compliance with the mandatory training. The on-line program has been a success story: 100-percent participation and a 100-percent pass rate by NSOC assignees.

c. (S//SI) Along with inspectors from the

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the NSA OIG completed an

inspection of the Medina Regional Security Operations Center (MRSOC), Lackland Air Force Base, San Antonio, TX. The October 2000 joint inspection of the MRSOC noted numerous deficiencies in the site's I/O program. The March 2003 inspection revealed that the I/O familiarization process is still fragmented and individual responsibilities are not well defined. This blurs accountability and does not track with the site's governing oversight instruction, dated 15 November 2002. The process does not validate compliance and has no mechanism to enforce individual accountability. Consequently, coordinators and managers display little interest in or commitment to I/O compliance. USSID 18 training continues to be an issue because the MRSOC has not fully satisfied quarterly and annual training requirements for the past several years. The OIG joint report made several recommendations for improvement, which are being monitored for implementation.

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DATED: 24 FEB 98 DECLASSIFY ON: X1 DOCID: 4165184 TOP SECRET//COMINT//NOFORN//X1 d. (TS//SI//NF (b)(3)-P.L. 86-36 (b) (3) - 50 USC 3024(i)(b)(3)-18 USC 798

2. (U) GENERAL COUNSEL ACTIVITIES

(C//SI) The NSA Office of General Counsel (OGC) reviewed various intelligence activities of the NSA/CSS to determine whether they were conducted in accordance with applicable statutes, Executive Orders, Attorney General procedures, and DoD and internal directives. The OGC advised Agency elements on a number of questions, including the collection and dissemination of communications of or concerning U.S. persons; the reporting of possible violations of federal criminal law contained in SIGINT product; the testing of electronic equipment; and the applicability of the Foreign Intelligence Surveillance Act (FISA). With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities. The OGC did not file any reports with the Intelligence Oversight Board during this quarter.

3. (U) SIGINT ACTIVITIES

a. (S//SI) Collection Against U.S. Persons

(1) (U) Intentional (S//SI) During this quarter, the DIRNSA granted approval for consensual collection against persons. DIRNSA-approved U.S. persons was routinely terminated (3)-P.L. 86-36 consensual collection against this quarter. -(S//SI) The Attorney General granted authority to collect the communications of U.S. persons during this quarter. Additionally, in accordance with the Classified Annex to Department of Defense Procedures Under Executive Order 12333, he orally approved the targeting of communications associated with (b) (1) (b)(3)-P.L. 86-36 (b)(3)-18 USC 798

(b)(3)-50 USC 3024(i)

DOCID: 4165184 TOP SECRET//COMINT//NOFORN//X1 (b)(3)-P.L. 86-36 (b)(3)-18 USC 798 (b)(3)-50 USC 3024(i) (2) (U) Unintentional a. (TS//SI) an analyst found a telephone number in traffic that had passed (b)(1)to Since the number was (b)(3)-P.L. 86-36 the analyst used it as a query term in a raw traffic database and obtained several contacts to personnel at the results indicated that the number might be associated with the so the analyst reviewed previous voice traffic and determined that the telephone number belongs to the who is a U.S. person. Except for the search in the database, the telephone number was never tasked for collection. (b) (1) (b) (3)-P.L. 86-36 (b) (3) -10 USC 3024 (i) b. (S//SI) (b) (3) -18 USC 798 that a nvolved and linked to a known organization, was a U.S. person. The Office of Primary Interest immediately detasked the trafficker's telephone number, deleted all audio intercepts for his telephone number, purged all pertinent transcripts from the transcript storage database, and cancelled all previously published reports based on his communications. (b) (1) OGA (b) (7) (C) (b) (7) (D) (b)(7)(E) (b)(7)(F)d. (TS//SI) DIRNSA granted a destruction waiver for (b)(1) (b)(3)-P.L. 86-36 incidental collection at of telephones Continued use of these communications was determined to be a communications security/force protection issue. e. (TS//SI/NF) Due to a database error that occurred collection, authorized in a FISA court order, did not occur. collection was terminated (b)(1)(b)(3)-P.L. 86-36 (b) (1) (b)(3)-P.L. 86-36 (b)(3)-18 USC 798 (b)(3)-50 USC 3024(i) TOP SECRET//COMINT//NOFORN//X1

(b)(3)-P.L. 86-36 TOP-SECRET//COMINT//NOFORN//X: (b)(3)-18 USC 798 (b)(3)-50 USC 3024(i)Reviews of activity logs revealed that some collection had occurred after the court order expired All product has been destroyed. (b)(1)(b)(3)-P.L. 86-36 f. (TS//SI) the issued a report and later realized part of the information in the report came in which the from The collection on the telephone number was authorized by a FISA court order. The report was canceled and reissued without the communications portion. (b) (1) (b) (3) -P.L. 86-36 g, (TS//SI) During routine target search and development operations, (b) (3) -50 USC 3024 (b) (1) removed approximately cell phone identifiers from a (b) (3) - P.L. 86 - 36system upon recognition that the numbers probably belonged to U.S. persons who called targets of interest. is tasked to collect the communications of (b) (1) h. (TS//SI) The (b) (3)-P.L. 86-36 members of the After a member of the 0 USC 3024(i) (b)(1)SID advised to destroy all collection and (b)(3)-P.L. 86-36 detask the relevant telephone numbers. i. (S//SI) the Gordon Regional Security Operations Center (GRSOC), Fort Gordon, GA, inadvertently collected and reported the communications of a U.S. official with person. The unintentional collection was recognized and the report was cancelled. j. (S//SL/NF) This quarter, unintentional retrievals using the raw traffic files) (3)-P.L. 86-36 resulted in incidents against U.S. persons. All incidents were reported to responsible oversight officials and corrective actions were taken. All unauthorized traffic collected has been destroyed. b. (U//EQUO) Dissemination of U.S. Identities (1) (U) Intentional -(S//SI)- In accordance with section 7 of USSID 18, U.S. identities were disseminated times during this quarter. The following table shows the justification and the number of instances of dissemination: (b) (3)-P.L. 86-36 In the "Unmasked" column, the U.S. identity was revealed in a

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serialized end product; in the "User Requested" column, a U.S. identity was released to a user at the user's request.

	JUSTIFICATION	Unmasked	User Requested	TOTAL
	7.2.c Necessary			
	7.2.c.1 Foreign Official			
	7.2.c.3 International narcotics			
	7.2.c.4 Criminal activity			
	7.2.c.7 U.S. Government Official ¹			
	TOTAL			
	(2) (U) Unintentional (S//SI)-During this quarter, SIG they contained the identities of U.S Unintentional dissemination also	S. persons, org		ities. $(3)^{-1}$.
	(S//SI)-During this quarter, SIG	S. persons, org	ganizations, or enti	ause (b) (1) (b) (3)-P.L. ities.
	they contained the identities of U.S. Unintentional dissemination also reporting as follows: a. (C) Although the identities were	S. persons, orgoccurred in cir	ganizations, or enticumstances other SIGINT reports,	ause (b) (1) (b) (3) -P.L. ities.
	(S//SI) During this quarter. SIG they contained the identities of U.S. Unintentional dissemination also reporting as follows: a. (C) Although the identities were several U.S. names were	S. persons, orgoccurred in cir minimized in included in su	ganizations, or enti- cumstances other SIGINT reports, immary report	than
	(S//SI) During this quarter. SIG they contained the identities of U.S. Unintentional dissemination also reporting as follows: a. (C) Although the identities were several U.S. names were highlights posted on NSA's intrane SID staff removed the highlights for	S. persons, orgoccurred in cir minimized in included in su	ganizations, or enti- cumstances other SIGINT reports, immary report zing the mistake, t	the
)=P.L. 86	(S//SI) During this quarter SIG they contained the identities of U.S. Unintentional dissemination also reporting as follows: a. (C) Although the identities were several U.S. names were highlights posted on NSA's intrans SID staff removed the highlights firminimized version.	S. persons, orgoccurred in cir minimized in included in su	ganizations, or enti- cumstances other SIGINT reports, immary report zing the mistake, t	the
)-P.L. 86	(S//SI) During this quarter SIG they contained the identities of U.S. Unintentional dissemination also reporting as follows: a. (C) Although the identities were several U.S. names were highlights posted on NSA's intrans SID staff removed the highlights firminimized version.	S. persons, orgoccurred in cir minimized in included in su et. Upon reali	ganizations, or enti- cumstances other SIGINT reports, immary report zing the mistake, the net and reposted a	the
)-P.L. 86	(S//SI) During this quarter SIG they contained the identities of U.S. Unintentional dissemination also reporting as follows: a. (C) Although the identities were several U.S. names were highlights posted on NSA's intrance SID staff removed the highlights find minimized version.	S. persons, orgoccurred in cir minimized in included in su et. Upon reali	ganizations, or enti- cumstances other SIGINT reports, immary report zing the mistake, to net and reposted a	the
)-P.L. 86	(S//SI) During this quarter SIG they contained the identities of U.S. Unintentional dissemination also reporting as follows: a. (C) Although the identities were several U.S. names were highlights posted on NSA's intrance SID staff removed the highlights finding minimized version.	S. persons, orgoccurred in cire minimized in included in suet. Upon realition the intransmitted which was	sanizations, or enticumstances other SIGINT reports, ammary report zing the mistake, the and reposted a set and report a stater found to be	the

U.S. ISPs are considered U.S. entities and must be minimized in

(b) (1)
(b) (3) = P

Headquarters emailed reminding them that

(b) (3) -P.L. 86-36

cancelled

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and reissued them with the proper minimization. In

providers (ISPs). Upon instruction from HQS,

addition,

(b) (3)-18 USC 798 (b) (3)-50 USC 3024(i)

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	SIGINT Reporting Workshop, SID oversight (1)
	officials will emphasize that certain ISPs are U.S. companies and needs usc 798
	to be minimized in SIGINT reports. (b) (3) -50 Usc 3024(i)
	d. (TS//SI) issued an containing the
	name of a senior U.S. official. cancelled and reissued the
	identifying the official by title only.
/	
<u> </u>	e. (TS//SI) The Kunia Regional Security Operations Center issued
	reports containing information related to a named U.S.
	located The report was cancelled and reissued with
/	the name minimized.
	(b) (1) (b) (3) -P.L. 86-36
	(3) (U) Raw Traffic Dissemination Outside the SIGINT
	Production Chain
-/-/	(S//SI) SID Oversight and Compliance Office (O&C)
	became aware that assigned to the
	had
	unauthorized access to numerous raw traffic databases. Over the next
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	O&C determined that some of these individuals were
(1) (3)-P.L. 86-36	authorized access while working in
A Samuel Committee of the Committee of t	rhowever, these accounts were neither deactivated nor properly re-justified when the personnel were reassigned. Other
The state of the s	individuals gained access because they identified themselves as
The state of the s	assigned to without providing amplifying information and
	it was erroneously assumed that they were assigned to the
	O&C received no response to a request for information about how the
	accounts were being used and, on approximately had the
	accounts deactivated until a request for authorization could be
	processed within established channels. (b) (1) (b) (3)-P.L. 86-36
	(S//SI) the SIGINT Director directed that the
	accounts be reinstated when he received assurances from
	that might assign a
	mission to On or about the ACO spoke with
	the NSA who confirmed that was not
	assigned an NSA mission, which subsequent investigations
	confirmed. Access for was not cancelled, however, because
	the leadership of Analysis and Production, SIGINT Directorate,
. г	wanted access retained for
Լ	Although Ob Chan massissed
	. Although O&C has received

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information justifying the current accounts, it has received no information covering the unauthorized access prior to May. Although the investigation has not been completed, at this time, it appears that access to national databases was used to prosecute an unspecified target, rather than any NSA mission. 4. (U) OTHER ACTIVITIES (b) (1) (b) (3)-P.L. 86-36 (U) Integrees in Analysis and Production (S//SI/NF) During this quarter, In all cases, these individuals were provided with USSID 18 training. (b) (1) Organizations having integrees at NSA included (b) (3) - P.L. 8 (U) Assistance to Law Enforcement a. (S//SL//NF) During the quarter, NSA received a request from the Department of Justice under Section 105a of the National Security Act of 1947, which allows NSA to provide support to law enforcement if the target is foreign and is located overseas. NSA support included In accordance with standard practices for such requests, the SID forwarded the results directly to the OGC for vetting before dissemination. b. (S//SI) The SID approved requests for technical assistance from law enforcement during this quarter. Assistance included (b) (1) (b) (1) (b)(3)-P.L. 86-36 (b)(3)-P.L. 86-36 (b)(3)-18 USC 798 (b) (3) - 50 USC 3024(i)

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(U) Working Aids

a. (U) All SID personnel at NSA Headquarters and in the Extended Enterprise have access to the document, "U. S. Identities in SIGINT," and other guidance documents either in hard copy or via NSA's intranet. SID personnel are cognizant of NSA/CSS Directive 10-30 and review it as necessary to ensure compliance with the directive. Several offices in SID maintain files to be used to prevent targeting of U.S. persons.

b. (U// FOUO) NSA	redesigned its home web page (b) (3)-P.L.
to include an Intelligence Oversight link. As	
personnel are requ	ired to access the site, read its
contents and complete the form at the end sig	gnifying they completed the
required training.	

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c. (U//FOUO) The SID has also developed a web-based training program that currently is in beta testing. This program is designed to provide lists of individuals within an office who have completed the training.

(U) Databases

(S//SI) Numerous branches in	(1)
consistent with OGC guid	lance, (b) (3)-P.L. 86-36
	to avoid
USSID-18 violations. Only information	n that is essential to understanding the
intelligence is included.	
***************************************	Additionally, many Offices of
Primary Interest	/ · · ·
in order to ensure that they a	re not collected against or named in
product.	